

## Message Text

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ACTION EUR-12

INFO OCT-01 EA-10 ISO-00 SP-02 USIA-06 AID-05 EB-08  
NSC-05 TRSE-00 SS-15 STR-05 OMB-01 CEA-01 CIAE-00  
COME-00 FRB-03 INR-07 NSAE-00 XMB-02 OPIC-03  
LAB-04 SIL-01 L-03 H-01 DODE-00 PA-01 PRS-01  
/097 W

-----097236 062124Z /12

R 061527Z OCT 77  
FM AMEMBASSY BONN  
TO SECSTATE WASHDC 2080  
INFO AMEMBASSY BRUSSELS  
AMEMBASSY LONDON  
AMEMBASSY PARIS  
AMEMBASSY ROME  
AMEMBASSY TOKYO  
USMISSION USBERLIN  
USMISSION USNATO  
USNMR SHAPE  
AMCONSUL FRANKFURT  
AMCONSUL MUNICH  
AMCONSUL BREMEN  
AMCONSUL DUSSELDORF  
AMCONSUL HAMBURG  
AMCONSUL STUTTGART  
CINC USAFE RAMSTEIN  
CINC USAREUR HEIDELBERG  
CINC EUR VAIHINGEN

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USEEC, USOECD ALSO FOR EMBASSY

DEPARTMENT PASS TREASURY, FRB AND CEA

E.O. 11652: N/A

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TAGS: ECON, EFIN, GW  
SUBJECT: NEW ORDERS UP IN AUGUST;  
PRODUCTION CONTINUES TO STAGNATE

1. ACCORDING TO AN ECONOMICS MINISTRY CONTACT, THE  
SEASONALLY ADJUSTED OVERALL INDEX OF THE VOLUME OF NEW  
ORDERS (1970 EQUALS 100), WHICH HAD DROPPED FROM 114 IN

MARCH TO 105 BY JULY, ADVANCED TO 108 IN AUGUST, I.E., BY 2.9 PERCENT. THIS MONTH-TO-MONTH DEVELOPMENT WAS DUE LARGELY TO A RECOVERY OF EXPORT ORDERS. HOWEVER, DOMESTIC ORDERS ALSO INCHED UP, REFLECTING A RATHER STRONG PERFORMANCE OF ORDERS FOR CONSUMER GOODS.

2. A COMPARISON OF THE TWO-MONTH PERIOD JULY/AUGUST WITH MAY/JUNE SHOWS A 2.3 PERCENT DECLINE, WITH DOMESTIC ORDERS UP 0.5 PERCENT BUT EXPORT ORDERS DOWN 5.9 PERCENT. THE TWO-MONTH APPROACH IS USUALLY APPLIED BY THE MINISTRY, ARGUING THAT ONE MONTH DATA ARE TOO SLIM A BASIS TO JUDGE THE UNDERLYING TREND.

3. THE INDUSTRIAL PRODUCTION INDEX (SEASONALLY ADJUSTED; 1970 EQUALS 100) IN AUGUST STAGNATED FOR THE THIRD CONSECUTIVE MONTH.

4. TABLES DETAILING THE FOREGOING AND SHOWING SLIGHT REVISIONS IN PAST DATA ARE APPENDED.

TABLE I  
NEW ORDERS VOLUME SEASONALLY ADJUSTED  
(1970 EQUALS 100)

1977 TOTAL DOMESTIC FOREIGN  
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JAN	108	101	132
FEB	108	99	136
MAR	114	104	150
APR	111	100	145
MAY	110	98	146
JUNE	108	98	140
JULY	105	98	129
AUG	108	99	140

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LAB-04 SIL-01 L-03 H-01 DODE-00 PA-01 PRS-01  
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USNMR SHAPE  
AMCONSUL FRANKFURT  
AMCONSUL MUNICH  
AMCONSUL BREMEN  
AMCONSUL DUSSELDORF  
AMCONSUL HAMBURG  
AMCONSUL STUTTGART  
CINC USAFE RAMSTEIN  
CINC USAREUR HEIDELBERG  
CINC EUR VAIHINGEN

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TABLE II  
DOMESTIC INVESTMENT AND CONSUMER GOODS  
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NEW ORDERS VOLUME SEASONALLY ADJUSTED  
(1970 EQUALS 100)

1977	INVESTMENT GOODS	CONSUMER GOODS
JAN	102	103
FEB	100	101

MAR	101	100
APR	97	103
MAY	96	101
JUNE	96	101
JULY	97	101
AUG	98	108

TABLE III  
INDUSTRIAL PRODUCTION INDEX  
SEASONALLY ADJUSTED  
(1970 EQUALS 100)

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1977

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JAN	115
FEB	114
MAR	116
APR	114
MAY	113
JUNE	114
JULY	114
AUG	114

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
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**Decaption Note:**  
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**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 22 May 2009  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1977BONN16642  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
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**Litigation History:**  
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**Office:** ACTION EUR  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 4  
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**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 1016398  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** NEW ORDERS UP IN AUGUST; PRODUCTION CONTINUES TO STAGNATE  
**TAGS:** ECON, EFIN, GE  
**To:** STATE  
**Type:** TE  
**vdkgvwkey:** odbc://SAS/SAS.dbo.SAS\_Docs/2c588d35-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
22 May 2009  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009